

WEST DUBLIN / PLEASANTON

DEVELOPMENT In November 1999, the BART Board of Directors approved a public/private venture between BART and Orix Real Estate Equities, Inc. and Jones Lang LaSalle to leverage private development on BART land to build the West Dublin/Pleasanton Station. The \$100 million project is to consist of:

- A new West Dublin/Pleasanton BART Station with parking,
- A bus intermodal facility and pedestrian bridges to connect the station in the media of the freeway to BART property on either side of the freeway, and
- Private development consisting of residential units and a hotel in Dublin, and an office building in Pleasanton.

Funding the public improvements, currently estimated to cost \$53 million, will involve the creation of a Joint Powers Authority between ABAG and BART which would issue bonds for construction of the station and ancillary facilities, including the BART parking garages. Repayment of the bonds would be through a combination of private funds from long-term lease of BART's property, contributions from the Cities of Dublin and Pleasanton of tax revenues generated by the private development on BART land, and BART revenues generated by the station. The bond funding for the project is also being supplemented by grant funding from the Alameda County Congestion Management Agency (ACCMA) and the Tri-Valley Transportation Council (TVTC).

In April 2001, the BART Board of Directors certified the Supplemental Environmental Impact Report (SEIS) and adopted the overall public/private development project. BART secured pre-development funds from the ACCMA to prepare the SEIS. A Letter of Intent has been executed with Orix/JLL for all private development at the proposed station. The Master Development Agreement has also been executed between BART and Orix/JLL for the overall project. BART and Orix/JLL have selected Walsh Pacific as the design/build contractor for the station and pedestrian bridges. All parties are now conducting the design effort to identify a Guaranteed Maximum Price (GMP) for the public improvements – a step necessary to identify the size of the bond issuance. In October 2003, the Tri-Valley Transportation Council authorized a \$4 million grant to BART in order to, in part, conduct the design effort to identify the GMP. In January 2004, the Alameda County CMA programmed an additional \$6.9 million to the project for construction of the public improvements.

Given the current real estate market, one of the critical issues being addressed by BART and Orix/JLL is the ability of the private development to service the debt from the bonds to be issued. The current schedule calls for BART Board consideration of the debt structure during 2004, with bonds being issued after Board consideration, and station construction beginning in

2005. Completion of construction of the public improvements is scheduled for late 2007. Final approvals from the Cities of Dublin and Pleasanton are pending on the tax sharing approach. Although an MOU has been executed, both cities will need to vote on the specific lease mechanism being proposed to secure the tax revenues.